



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

MAY 13 2014

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Mark Ibele, Staff Director (2)

Honorable Nancy Skinner, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Various Budget Bill Items, Support, Various Departments within the
California Environmental Protection Agency**

California Environmental Protection Agency (CalEPA) Headquarters Building—Refunding Savings—It is requested that the following items be reduced to reflect a decrease in rental expenses resulting from the CalEPA building bond refinancing completed in August 2013. The refinancing allowed for a lower interest rate to be paid on the bonds, which resulted in lower debt service and associated lease costs of \$1,980,000 annually to the boards, departments, and offices within CalEPA. These savings are ongoing for the remaining eight-year life of the bonds. The CalEPA building is located at 1001 I Street in Sacramento.

- Decrease Item 0555-001-0028 by \$45,000 and amend Item 0555-001-0044 to reflect this change.
- Decrease Item 3900-001-0044 by \$272,000, Item 3900-001-0115 by \$123,000, Item 3900-001-0421 by \$50,000, Item 3900-001-3237 by \$98,000, and amend Item 3900-001-0044 to reflect these changes.
- Decrease Item 3930-001-0106 by \$280,000.
- Decrease Item 3940-001-0439 by \$462,000.
- Decrease Item 3960-001-0001 by \$7,000, Item 3960-001-0014 by \$114,000, Item 3960-001-0557 by \$129,000, Item 3960-001-3065 by \$4,000, and amend Item 3960-001-0014 to reflect these changes.
- Decrease Item 3970-001-0100 by \$26,000, Item 3970-001-0133 by \$55,000, Item 3970-001-0226 by \$55,000, Item 3970-001-0387 by \$175,000, Item 3970-001-3065 by \$25,000, and amend Item 3970-001-0133 to reflect these changes.
- Decrease Item 3980-001-0001 by \$12,000, Item 3980-501-0995 by \$12,000, Item 3980-001-0044 by \$12,000, Item 3980-001-0100 by \$5,000, Item 3980-001-0106 by \$5,000, Item 3980-001-0140 by \$4,000, Item 3980-001-3056 by \$10,000, and amend Item 3980-001-0001 to reflect these changes.

The effect of my requested action is reflected on the attachment.

MAY 13 2014

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If you have any questions or need additional information regarding this matter, please call Ellen Moratti, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN

Director

By:

/s/ Keely M. Bosler

KEELY M. BOSLER

Chief Deputy Director

Attachment

cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mike Gatto, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jeff Gorell, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Jim Beall, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Eric Jarvis, Assistant Secretary for Administration, Office of the Secretary for Environmental Protection
Ms. Alice Stebbins, Division Chief, Administrative Services Division, Air Resources Board
Mr. Lu Saepanh, Branch Chief, Fiscal Services and Business Operations Branch, Administrative Services Division, Department of Pesticide Regulation
Mr. Darrin Polhemus, Deputy Director, Administration, State Water Resources Control Board
Ms. Miriam Ingenito, Chief Deputy Director, Department of Toxic Substances Control
Mr. Tom Estes, Deputy Director, Administration, Finance & Information Technology Services Division, Department of Resources Recycling and Recovery
Ms. Susan Villa, Deputy Director, Administration, Office of Environmental Health Hazard Assessment

MAY 13 2014

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Mark Ibele, Staff Director (2)

Honorable Nancy Skinner, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support, Air Resources Board

Clean Vehicle Rebate Project (Issue 175)—It is requested that Item 3900-011-0421 be added to transfer \$15 million in smog abatement fee revenues from the Vehicle Inspection and Repair Fund to the Air Quality Improvement Fund. This transfer, along with an additional \$15 million Vehicle Inspection and Repair Fund to be transferred to the Air Quality Improvement Fund in fiscal year 2013-14, will be available for payment of 2013-14 accrued clean vehicle rebates in 2013-14. It is also requested that Item 3900-001-3119 be increased by \$30 million and that Item 3900-001-0044 be amended to reflect this change. This request will enable the Air Resources Board (Board) to meet the increased demand for clean vehicle rebates in 2013-14.

Air Quality and Climate Change Activities (Issue 177)—It is requested that Item 3900-001-0044 be increased by \$550,000, Item 3900-001-3237 be increased by \$550,000, and Item 3900-001-0044 be amended to reflect these changes. This request will fund 6 positions to expand California's air quality and climate change coordination activities with other jurisdictions and governments. These positions are necessary to ensure the Board has the capacity to support these partnerships through activities such as information exchange, policy sharing and alignment, and capacity building for development and implementation of air quality and climate change programs.

The effect of my requested action is reflected on the attachment.

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Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Eric Jarvis, Assistant Secretary, Fiscal and Administration, Office of the Secretary for
Environmental Protection
Ms. Alice Stebbins, Division Chief, Administrative Services Division, Air Resources Board



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Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support, State Water Resources Control Board

Continuation of Emergency Drought Expenditures—It is requested that Item 3940-001-0001 be increased by \$4,262,000 and that Item 3940-001-0439 be amended to reflect this change. This request will allow the Water Board to continue to respond to record dry conditions and diminishing water supplies in California's major rivers and reservoirs due to the drought. The request will support water rights enforcement, responses to public inquiries, field inspections and reports, and formal enforcement hearings before the Water Board. This request also includes a technical adjustment to the Budget Bill for Program 10-Water Quality and Program 20-Water Rights.

Regional Drinking Water and Wastewater Plan for Salinas Valley—It is requested that Item 3940-001-0193 be increased by \$500,000 and that Item 3940-001-0439 be amended to reflect this change. This one-time augmentation will provide funding for development of an integrated plan addressing drinking water and wastewater needs of disadvantaged communities in the Salinas Valley. This request includes Budget Bill language specifying that the project will be funded by Waste Discharge Permit Fund civil penalty revenues.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Ellen Moratti, Principal Program Budget Analyst, at (916) 324-0043.

MICHAEL COHEN
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/s/ Keely M. Bosler

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Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Jennifer Taylor, Budget Officer, State Water Resources Control Board
Mr. Bill Damian, Assistant Deputy Director, Administration, State Water Resources Control Board
Mr. Eric Jarvis, Assistant Secretary, California Environmental Protection Agency



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Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support, Department of Toxic Substances Control

Stringfellow Superfund Hazardous Waste Site Remediation and Operation—It is requested that Item 3960-001-0001 be increased by \$5,128,000 and that Item 3960-001-0014 be amended to reflect this change. The request will be used to support an Administrative Order on Consent with the United States Environmental Protection Agency for further investigation and cleanup of contaminated water that has reached a drinking water source in the Chino Basin. Of the requested amount, \$1,130,000 is being requested for ongoing operation and maintenance.

California Environmental Contaminant Biomonitoring Program—It is requested that Item 3960-001-0057 be increased by \$175,000, Item 3960-001-3114 be increased by \$175,000, and Item 3960-001-0014 be amended to reflect this change. This funding will support the establishment of 2 positions at the Department of Toxic Substances Control to support the California Environmental Contaminant Biomonitoring Program as federal funding is being reduced.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Ellen Moratti, Principal Program Budget Analyst, at (916) 324-0043.

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Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Sara Benson, Chief, Financial Planning Branch, Department of Toxic Substances
Control
Ms. Miriam Ingenito, Chief Deputy Director, Department of Toxic Substances Control
Mr. Eric Jarvis, Assistant Secretary, California Environmental Protection Agency



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Amendment to Budget Bill Items 3980-001-0001 and 3980-001-3056, Support, Office of Environmental Health Hazard Assessment

Proposition 65—Website Development—It is requested that Item 3980-001-3056 be increased by \$520,000 and that Item 3980-001-0001 be amended to reflect this change, for the development of the Proposition 65 website proposed in the Governor's Budget. The Governor's Budget proposed \$785,000 from the Safe Drinking Water and Toxic Enforcement Fund, and 4 positions to revise Proposition 65 regulations and develop a website that provides information to the public on exposure to listed chemicals. To address higher information technology development costs identified in the draft feasibility study, this proposal increases the one-time contract funding included in the Governor's Budget from \$250,000 to \$770,000 in 2014-15, and eliminates \$250,000 in contract funding in 2015-16.

The effect of my requested action is reflected on the attachment.

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